VZCZCXRO5558 OO RUEHFL RUEHKW RUEHLA RUEHNP RUEHROV RUEHSR DE RUEHUP #0039 0131220 ZNY CCCCC ZZH O 131220Z JAN 09 FM AMEMBASSY BUDAPEST TO RUEHBS/USEU BRUSSELS IMMEDIATE RUEHC/SECSTATE WASHDC IMMEDIATE 3788 RHEHNSC/WHITE HOUSE NSC WASHDC IMMEDIATE INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE PRIORITY RUEHAK/AMEMBASSY ANKARA PRIORITY 0230 RUEHAH/AMEMBASSY ASHGABAT PRIORITY 0078 RUEHTA/AMEMBASSY ASTANA PRIORITY 0037 RUEHGB/AMEMBASSY BAGHDAD PRIORITY 0093 RUEHKB/AMEMBASSY BAKU PRIORITY 0155 RUEHEG/AMEMBASSY CAIRO PRIORITY 0146 RUEHKV/AMEMBASSY KYIV PRIORITY 0149 RUEHMO/AMEMBASSY MOSCOW PRIORITY 0677 RUEHSI/AMEMBASSY TBILISI PRIORITY 0274 RUEAIIA/CIA WASHINGTON DC PRIORITY RHEFDIA/DIA WASHINGTON DC PRIORITY

C O N F I D E N T I A L BUDAPEST 000039

SENSITIVE SIPDIS

DEPARTMENT FOR EUR FO, EUR/CE, EUR/ERA, EEB/FO; PLEASE PASS TO NSC FOR ADAM STERLING

E.O. 12958: DECL: 01/12/2014 TAGS: ENRG PGOV PREL HU

SUBJECT: REBUTTING EFFORTS TO UNDERMINE THE NABUCCO SUMMIT

REF: USEU 36

Classified By: P/E COUNSELOR ERIC V. GAUDIOSI; REASONS 1.4 (B) AND (D)

 $\P1$. (U) This is an action message. Please see paras 5 and 6 for action request.

NO CONFLICT OVER NABUCCO IN BUDAPEST

- 12. (SBU) Contrary to assertions made by USEU's contacts on the Commission, we wish to be categorical in stating that the upcoming Nabucco Summit in Budapest enjoys broad multi-partisan support here in Hungary.
- 13. (C) It has done so from its inception, and that consensus has grown broader and deeper throughout the Russian gas shutoff. In a January 12 meeting with Ambassador Foley, Parliamentary Foreign Affairs Committee Chair Zsolt Nemeth) a consistent critic of the Gyurcsany government) expressly endorsed the conference as an opportunity for the EU to move forward on diversification. "This is our 9/11 moment," Nemeth concluded, emphasizing the priority) and the opportunity) to recognize the magnitude of the strategic challenge and to move forward on Nabucco as means to enhance Europe's energy security. We believe Nemeth speaks authoritatively for the opposition here, and that FIDESZ will continue to support the Summit as a way to press the Gyurcsany government to make good on its stated commitment to Nabucco.

PERSONALITY CONFLICT IN BRUSSELS?

14. (C) According to GoH Special Nabucco Envoy Bayer's staff, the urban legend of domestic political division over the Nabucco Summit begins with Van Aartsen's staff. (Note: Hungarian officials have long been critical of Van Aartsen's performance, and are increasingly unimpressed with Piebalgs' as well. End Note.) They believe that the story is also largely limited to Van Aartsen's staff, and continue to express confidence that Barroso and/or Solana will be here for the Summit, joining senior representatives from supplier nations as well as Nabucco consortium members.

- ¶5. (C) Nevertheless, we hope that the Department and all interested posts will engage actively to prevent further perpetuation of the assertion that the Nabucco Summit is a source of domestic political discord. It is not. Indeed, from our vantage point on the ground, it is one of the few areas of consensus.
- ¶6. (C) We also hope that the Department will be able to move quickly to finalize its decision regarding the attendance of a U.S. delegation. Announcement of senior representation at the upcoming Summit will be the most effective way to rebut questions concerning the event. Foley